



# Iowa Department of Human Services

Terry E. Branstad  
Governor

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Director

## INFORMATIONAL LETTER NO.1423

**DATE:** September 18, 2014

**TO:** Iowa Medicaid Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs)

**FROM:** Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

**RE:** Clarification on Billing for Medical and Mental Health Encounters

**EFFECTIVE:** Upon Receipt

Consistent with Medicare, a “mental health visit” means a face-to-face encounter between a FQHC or RHC patient and an appropriate licensed professional at the FQHC or RHC. Relative to Iowa Medicaid members enrolled in the Iowa Plan for Behavioral Health, a FQHC or RHC that is enrolled as a provider with that program (i.e., with Magellan Behavioral Health, the program’s administrator) are able to bill under that program for covered mental health services.

Claims for such services will be paid at the provider’s contracted rate with Magellan. For such visits, the FQHC or RHC may then submit to the IME, a request for a “wrap-around” payment to bring them to their cost or Benefits Improvement and Protection Act (BIPA) rate. The [Managed Care Wraparound Payment Request](#)<sup>1</sup>, form 470-3495, is to be used to document Medicaid encounters and differences in payment by Magellan and the regular Medicaid encounter payment. The form should be submitted within 30 days of the end of the previous quarter and should include an excel spreadsheet with the following information:

- 1) Patient Name
- 2) Patient Medicaid State ID Number
- 3) Date of Service
- 4) CPT Code Billed
- 5) Billed Amount
- 6) Amount Paid by Magellan

Relative to “mental health” visits occurring on the same day as a medical visit, a FQHC or RHC will need to reflect these two (2) separate encounters on their cost reports.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, or locally in Des Moines at 515-256-4609 or by email at [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).

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<sup>1</sup> <http://dhs.iowa.gov/sites/default/files/470-3495.xls>